

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

FILED

01/10/2025

U.S. DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
Kristine L. Seufert, Clerk

UNITED STATES OF AMERICA,

Plaintiff,

V.

REINA ISOM,

Defendant.

CAUSE NO. 1:25-cr-00007-JMS-TAB

INFORMATION

The United States Attorney charges that:

COUNT 1
Wire Fraud
18 U.S.C. §§ 1343 and 2

Background

At times material to this Information:

Federal Student Financial Aid

1. The United States government provided financial aid to students some attending college or career school. Financial aid included grants, loans, and work-study funding, and could cover the costs of tuition and fees, books and supplies, food and housing, and travel and miscellaneous expenses. The Office of Federal Student Aid (“FSA”), which was under the U.S. Department of Education (“USDOE”), was responsible for managing these federal student financial assistance programs.

2. In general, to be eligible for federal financial aid, a student must have (a) been enrolled at least half-time in a qualifying program at an approved institution; (b) possessed a high school diploma or its equivalent; and (c) submitted a completed application form to FSA called the Free Application for Federal Student Aid (“FAFSA”) Form.

3. The FAFSA Form, which was typically submitted online, required the student to provide personal identifying information (“PII”), including his or her name, date of birth, and social security number, as well as relevant personal financial information, including information about the student’s income and wealth and whether the student filed taxes. The FSA’s computer servers that received information from students’ FAFSA Forms were located in Virginia.

4. The FSA used the information on a student’s FAFSA Form to calculate the amount of federal financial aid a student could receive. In particular, the FSA used the financial information provided on the FAFSA Form to calculate the student’s Expected Family Contribution (“EFC”), which was the amount the student and their family, if applicable, was expected to contribute to the student’s education costs and living expenses when attending college or career school. Then, once the student identified the college or career school of his or her choice, that institution would compare the student’s EFC to the cost of attendance, which would determine the total amount of federal financial aid that the student would be eligible for.

5. For financial aid to be disbursed, students typically signed additional paperwork. For example, students receiving student loans were required to sign a promissory note.

6. The FSA disbursed the total amount of financial aid for a student directly to the college or career school that the student would attend. That institution applied that money to the cost of tuition and fees. If the amount of financial aid for a student exceeded the education costs at the institution, then the institution would refund the difference to the student, which the student could use to pay for his or her living expenses while attending college or career school. These refunds were paid to students in a variety of ways, including by direct deposit or by being loaded onto reloadable debit cards.

7. Students who remained in a multi-year college or career school program could be eligible for federal financial aid each year they attended. To maintain enrollment, students were

required to make meaningful progress in their education, which typically involved completing assignments.

Online Post-Secondary Education Options

8. Some colleges and career schools offered post-secondary education and degrees through online programs. Federal financial aid was available for such programs at accredited colleges and career schools.

The Defendant

9. During the relevant time period, the defendant, Reina Isom, resided in Muncie, Indiana, which is in the Southern District of Indiana. In August 2021, the defendant moved to Gainesville, Florida. As described below, the defendant continued the student loan fraud scheme that she began committing in Muncie, Indiana.

The Defendant's Financial Aid Fraud Scheme

Overview of the Scheme

10. Beginning on or about January 23, 2018, in the Southern District of Indiana and elsewhere, the defendant,

REINA ISOM,

with the intent to defraud, knowingly devised, participated in, and carried out a scheme to defraud and obtain money by means of materially false and fraudulent pretenses, representations, and promises.

11. The purpose of the scheme was to obtain money from federal financial aid programs for herself and others to which she and others were not entitled.

12. In general, she carried out the scheme by applying for financial aid in the names of other people who did not intend to attend college or career school, submitting FAFSA Forms in their names containing false financial information, and directing that the excess financial aid

purportedly used for a student's living expenses be refunded to accounts or reloadable debit cards controlled by her or others with whom she conspired.

Manner and Means of the Scheme

13. It was part of the scheme that the defendant submitted applications for enrollment in USDOE accredited colleges offering online programs in the names of other people using their PII, including their names, dates of birth, and social security numbers. In some instances, she obtained this information directly from the individuals or through other accomplices who passed the PII on to the defendant. The defendant knew the people in whose names she submitted applications did not plan to attend college or career school. Rather, the defendant submitted these enrollment applications for the purpose of perpetrating her financial aid fraud scheme.

14. The defendant then applied for federal student financial aid by submitting FAFSA Forms to FSA in the names of the purported "students" for whom she had applied for enrollment in the online colleges. In preparing the FAFSA Form, the defendant left blank a portion of the FAFSA Form requesting the name of the preparer of the Form, which made it appear that the "student" had completed the FAFSA Form.

15. The defendant also included false financial information on the FAFSA Forms she submitted, such as by listing zeros or leaving blank portions of the FAFSA Form requesting information about the student's income, their spouse's income, and their parents' income. The defendant knew this information was false, and she did not attempt to provide accurate financial information regarding the individuals in whose names she was submitting FAFSA Forms. Her purpose in providing false financial information was to increase the amount of financial aid awarded by FSA, which in turn increased the amount refunded to the accounts or debit cards that she or her co-conspirators controlled.

16. The defendant then provided information relating to bank accounts or mailing addresses that she controlled and/or had access to, so that she would receive the excess financial aid refunded to the “student” for living expenses.

17. The defendant knew these statements on the FAFSA Forms were materially false and misleading, because she knew that the individuals in whose names the Forms were submitted had no intention of actively attending a post-secondary educational institution.

18. The defendant perpetuated her fraud scheme by purporting to complete and submit assignments for the “students” who were enrolled in the colleges’ online programs. The defendant did so in an effort to maintain the “student’s” enrollment in the college, which allowed the defendant to apply and receive financial aid in the name of the “student” over multiple years.

19. In total, the defendant submitted more than 50 fraudulent FAFSA applications for more than a dozen different individuals. As a result of her scheme, the defendant caused more than \$930,000 in federal financial aid to be fraudulently dispersed. Of these funds, more than \$340,000 were deposited it into bank accounts or loaded onto debit cards that were controlled by the defendant or her co-conspirators. The defendant and her co-conspirators then spent these funds on taking large portions of the money in cash.

Wire Communications

20. For the purpose of executing the scheme described above and attempting to do so, the defendant, REINA ISOM, in Muncie, Indiana, in the Southern District of Indiana, caused to be transmitted by means of wire communication in interstate commerce signals and sounds, including on or about February 12, 2020, submitting online a FAFSA Form to FSA in the name of purported “student” C.C., which contained false financial information, among other false information.

All of which is a violation of Title 18, United States Code, Sections 1343 and 2.

COUNTS 2-3
Federal Financial Aid Fraud
20 U.S.C. § 1097

21. Paragraphs 1 through 20 are incorporated and realleged as if set forth herein.

22. On or about the dates specified in the chart below, in the Southern District of Indiana and elsewhere, the defendant,

REINA ISOM,

did knowingly and willfully obtain by fraud and materially false statements, funds, assets, and property by applying for and obtaining funds in the names of the below-listed individuals, which caused the issuance by the United States Department of Education of the below-listed approximate amounts, each in excess of \$200, of federal financial aid (grants and loans) under subchapter IV of Chapter 28 of Title 20 of the United States Code.

Count	On or About Date	Individual whose Identity was Used to Apply for Financial Aid	Total Amount Received in Financial Aid
2	April 16, 2020	C.C.	\$6,195
3	April 16, 2020	M.J.	\$6,195

Each of which is a separate violation of Title 20, United States Code, Section 1097.

FORFEITURE

1. The allegations contained in Count One of this Information is hereby realleged and incorporated by reference for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

2. Upon conviction of the offense in violation of Title 18, United States Code, Section 1343 set forth in Count 1 of this Information, REINA ISOM, the defendant, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offenses.

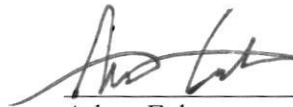
3. Further, upon conviction, the United States will seek an order of forfeiture in the form of a money judgment of \$348,148, representing the amount of proceeds the defendant obtained from wire fraud as charged in Count 1.

4. If any of the property described above, as a result of any act or omission of the defendant:

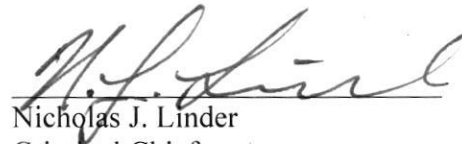
- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

ZACHARY A. MYERS
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Meredith Wood
Assistant United States Attorneys



Nicholas J. Linder
Criminal Chief